

ECONOMIC DEVELOPMENT ADMINISTRATION



Annual Report

1999

Volume 1

U.S. Department of Commerce



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U.S. Department of Commerce
Norman Y. Mineta, Secretary

Arthur C. Campbell, Assistant Secretary
for Economic Development



THE SECRETARY OF COMMERCE

Washington, D.C. 20230

The President of the Senate
Speaker of the House of Representatives

Sirs:

I am pleased to submit the annual report on the activities of the Economic Development Administration, U.S. Department of Commerce, for Fiscal Year 1999, in compliance with Section 707 of the Public Works and Economic Development Act of 1965, as amended.

Sincerely,

Norman Y. Mineta

Enclosure

Foreword

This report charts the continuing progress of the Economic Development Administration (EDA) toward fulfilling its legislatively mandated mission of helping economically distressed communities to revitalize themselves economically, socially and physically. The Congress, in 1998, reauthorized EDA for an additional five years. Whether to authorize EDA's work beyond that extended period will be decided by the 108th Congress in 2003.

The effect and impact of EDA's economic development activity are portrayed in the projects and programmatic actions recorded in this report. Collectively, this body of work depicts funding strategies and projects that are improving economically distressed areas, and, thus, provides a basis for assessing EDA's progress toward meeting its congressional mandate. A companion report provides a complete listing of all EDA projects by state, program, amount, grantee, and purpose.

Much has been done; yet, much remains to be done. The nation has a strong and vigorous economy and record low unemployment. However, there are people and places that are left out and left behind. EDA is committed to providing more equitable economic outcomes. EDA, during fiscal year 2001, seeks to build upon the accomplishments presented in this report by placing priority on assisting disadvantaged populations; realizing quality of life benefits, leveraging its funds and their impacts through innovative development and finance; and investing in projects arising out of regional cooperation, as well as those that help strengthen the capacity of development organizations.

EDA has provided financial support to a national network of locally-based regional economic development districts since the 1960's. Over the years, this network of economic development partners has expanded to include university centers and trade adjustment assistance centers. Since 1980, EDA has been involved in defense adjustment due to congressionally-mandated base realignments and closures and in post-disaster recovery funding and assistance. These areas of emphasis are reflected in this report and in the projects funded by EDA.

EDA is committed to sharpening its focus on its core mission of assisting the most highly distressed areas, to expanding its impact by working collaboratively with other partners in delivering innovative financing to such areas, and to strengthening its organizational capacity to allow it to better adhere to the agency's 35-year mission.

Arthur C. Campbell
Assistant Secretary of Commerce
for Economic Development

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Mission Statement of the Economic Development Administration

The Economic Development Administration (EDA) was established under the Public Works and Economic Development Act of 1965 (42 U.S.C. 33121), as amended, to generate new jobs, help retain existing jobs, and stimulate industrial and commercial growth in economically distressed areas of the United States. EDA assistance is available to rural and urban areas of the Nation experiencing high unemployment, low income, or sudden and severe economic distress.

In fulfilling its mission, EDA is guided by the basic principle that distressed communities must be empowered to develop and implement their own economic development and revitalization strategies. Based on these locally and regionally developed priorities, EDA works in partnership with state and local governments, regional economic development districts, public and private nonprofit organizations, and Indian tribes. EDA helps distressed communities address problems associated with long-term economic distress, as well as sudden and severe economic dislocation including recovering from the economic impact of natural disasters, and the closure of military installations and other Federal facilities.

Fiscal Year 1999
Statement of Appropriations to EDA
(In Thousands of Dollars)

Programs	FY 1999
Public Works and Development	205,850
Economic Development Planning	24,000
Technical Assistance	9,100
Economic Adjustment	34,629
Defense Economic Adjustment	84,800
Trade Adjustment Assistance	9,500
Research	500
Program Subtotal	368,379
Salaries and Expenses	23,961
Total	\$392,340

**34 Years of Service
to the Nation's
Distressed Communities
1965-1999**

EDA State Project Highlights for Fiscal Year 1999

State of Colorado

The economic vitality of the City of Aurora and the Denver/Aurora metropolitan area have been severely impacted by several military closures, including first Lowry Air Force Base, and then Fitzsimons Army Medical Center.

In 1991, Lowry Air Force Base was recommended for closure and ultimately did close in September 1994. The Lowry closure caused a net loss of 6,200 jobs on the base and an undetermined loss of jobs in nearby businesses, many of which are small retail and service businesses with under five employees.

Fitzsimons Army Medical Center was recommended for closure by the 1995 Defense Base Closure and Realignment Commission. It is estimated that 12,000 direct and indirect jobs were dependent upon Fitzsimons. The Fitzsimons closure actions are resulting in a drop of \$192 million in annual expenditures within the local economy, a loss of \$5.3 million in annual sales tax revenues, and a loss of \$9.3 million in annual state incomes taxes. Within the Aurora area surrounding the former Fitzsimons Army Medical Center, a pocket of poverty existed in which residential and commercial property values were falling, educational achievement standards were declining, crime rates were rising, and the poverty rate was increasing faster than population growth.

Additional economic distress came to the Northwest Aurora community with the closure of Stapleton International Airport in February 1995. Over 6,000 jobs were relocated to Denver International Airport. Fitzsimons is located less than two miles east of both Lowry and Stapleton International Airport. All three facilities and their employees have played a major role in the economic health of Northwest Aurora for over forty years.

To mitigate the negative impact of the severe economic dislocation on local businesses and their employees caused by these closures, EDA has awarded grants totaling \$7,469,240 in four projects from Fiscal Year 1996 through Fiscal Year 1999. These EDA grants will accelerate the redevelopment of the Fitzsimons Impact Area and will rejuvenate the business area and create jobs for low and moderate income residents.

Fitzsimons is being converted into the Nation's largest medical-related redevelopment project, and it will become one of the largest employment centers in the Aurora/Denver metropolitan area. Redevelopment will bring an estimated 18,000 jobs to the site, which is more than four times the Army's work force before the 1995 closure decision. A \$1.5 billion phased capital construction program will transform the 577 acres of Fitzsimons into an intensely active complex of laboratories, clinics, hospitals, classrooms, and offices.

A key component in the approved reuse plan is an EDA grant for \$2,250,000 for the construction of a 60,750 sq. ft. building in Bioscience Park Center. This research park will eventually comprise 1.8 million sq. ft. of development with an estimated work force of 4,000.

Fifteen EDA projects were approved in Fiscal Year 1999 in the State of Colorado with total EDA assistance of approximately \$7.5 million.

The Fitzsimons redevelopment plan links a 217-acre academic medical center campus with a 147-acre bioscience park. The first building constructed within the 160-acre Colorado Bioscience Park Aurora has an estimated completion date of March 2000. The Bioscience Park Center will specialize in accommodating start-up biotechnology and pharmaceutical companies in a scientific entrepreneurial community that encourages creativity and productivity. This is the first project of its kind to be developed west of the Mississippi. It is modeled after three similar projects successfully launched in Massachusetts, Maryland, and Virginia within the past ten years. Cultural, recreational, and municipal uses will be accommodated on land not needed for primary campus functions. The City of Aurora will locate its police and fire training activities on an 11-acre complex that includes a large conference center.

State of Missouri

In May 1999, a major aircraft manufacturer in St. Louis announced it would let go 7,000 workers in the next two years. The precipitating factor was a phase-out of orders from the United States Government. Unfortunately, efforts made by the aircraft manufacturer to source foreign markets had been unsuccessful. Accordingly, work force reductions are underway at the rate of 700 to 800 employees a month. Further, smaller defense-dependent businesses are also expected to feel the effects of these production reductions.

Twenty-six EDA projects were approved in Fiscal Year 1999 in the State of Missouri with total EDA assistance of approximately \$6.6 million.

In an effort to reabsorb these laid-off workers, EDA, in September 1999, made available, under its Defense Adjustment Program, a grant of approximately \$1.9 million for the specific purpose of further expanding the development of Cornerstone Industrial Park to accommodate additional industries. Earlier in the 1980s, the St. Louis County Economic Council determined to establish a training facility in metals technology known as the Cornerstone Project. The selected project site required demolition work as well as road and utility installations. In the process of accomplishing these improvements, it became apparent that the site also required toxic waste clean-up, which resulted in a delay in the completion of the original portions of the industrial park.

At a total cost of \$3,541,388, the project's objectives are to provide advanced training to approximately 5,000 displaced defense workers over a five year period and to assist approximately 600 defense contractors to convert from the defense market to global and commercial markets. The training center currently has 32 graduates and 50 enrolled students.

State of South Dakota

The Inter Tribal Bison Cooperative, located in Rapid City, South Dakota, was formed in 1991 to foster the Bison Restoration Program, an economic development program focusing on tribal history and culture. The Cooperative's membership is composed of 47 Native American Tribes throughout the Nation. The Cooperative's premise is that bison restoration and production, when fully realized, can result in the development of significant economic opportunities on member reservations. The goal of the project is to promote the economic recovery of Native American Tribes by developing a commercial activity in keeping with historical cultural values.

Historically, many well-intended Federal programs have tried to provide many kinds of economic development assistance to the tribes. Regrettably, at times, these well-intended efforts have fallen short due to a lack of knowledge and perhaps appreciation of cultural values of those tribal communities. This EDA project, approved in February 1999, provides technical assistance of \$75,000 for the development of a needs assessment done by individual tribes. It will also develop tribal business plans and marketing strategies. The total project cost is \$100,000.

This project will result in the initiation and expansion of bison programs on reservations and, subsequently, in the development of more professional businesses. Accordingly, members of the Inter Tribal Bison Cooperative will create new commercial activities with new job opportunities, thereby progressing towards a more stable and diverse economy with improved rates of employment. Additionally, the Inter Tribal Bison Cooperative has taken additional steps to ensure future job creation by fostering bison management curricula at tribal community colleges.

Seventeen EDA projects were approved in Fiscal Year 1999 in the State of South Dakota with total EDA assistance of approximately \$1.7 million.

State of Kansas

The City of Manhattan, Kansas, was awarded an EDA Disaster Mitigation Grant of \$15,000 for the purpose of preparing a Business Disaster Plan. The total project cost was \$30,000.

EDA made the grant through its Disaster Mitigation Grant Program, initiated in Fiscal Year 1999 under the Economic Adjustment Division, with an allocation of approximately \$3.34 million, used to fund 48 such projects in 31 states with total project cost of \$5,055,466.

Natural disasters such as flooding or tornados can suddenly and dramatically impact the health, safety, and economic well-being of all people working and living within a disaster-impacted area. The goal of the Business Disaster Plan is to educate business owners about the potential damage and loss from disasters and to encourage business owners, public officials, and citizens to enter into a plan to mitigate the economic impact from disasters. As part of the scope of work, the City of Manhattan will offer such activities as the following: free workshops/seminars on how businesses can utilize the model; encourage

training in CPR, first-aid, and other disaster recovery skills; advocate a business responsibility program involving planning, training, stockpiling emergency supplies, designating or constructing storm shelters, and installing weather alert radios and other emergency communications equipment; identify and train individuals to inspect and certify that the businesses comply with the program; and, encourage the general public to understand and support the program.

Sixteen EDA projects were approved in Fiscal Year 1999 in the State of Kansas with total EDA assistance of approximately \$2.6 million.

The model Disaster Business Plan will be distributed to the community and will include a review of the following: business insurance; CPR training and first-aid kits; installation of weather radios; the building or identifying of storm shelters; identifying escape routes and preparing evacuation plans; planning for emergency housing for employees; stockpiling of emergency supplies such as water, food, flashlights, radios, batteries, stretchers, tarps and emergency lights; establishing emergency communications using cell phones and CB radios; planning for records retention and retrieval; and, identifying standby equipment such as fire trucks and ambulances, 4x4 vehicles, chain saws, hand tools, tents, chemical toilets, space heaters, sand bags etc.

The Disaster Business Plan, as employed in Manhattan, Kansas, is a model that is replicated across the Nation to provide education and training in order to reduce the impacts of natural disasters on small businesses in terms of physical damage, downtime and loss of revenue.

State of Ohio

Seventeen EDA projects were approved in Fiscal Year 1999 in the State of Ohio with total EDA assistance of approximately \$8.5 million.

Scioto County, Ohio, a distressed rural community, was awarded an EDA Public Works grant of \$276,383 in Fiscal Year 1999 for the purpose of constructing a new bridge and for raising Slab Run Road by approximately 14 feet. Recent flooding, which reached record-breaking heights, had demonstrated the need for this road elevation project in order to assure access to a critical sewage treatment plant. The project improvements, by guaranteeing dependable access to the plant, also help to assure that jobs and the community's welfare will be retained in this distressed community, even during times of heavy flooding. Approximately 1,153 customers, including 60 businesses, are currently served by the sewage treatment plant.

State of Illinois

Cook County, Illinois, and the Midwest Center for Labor Research, located in Chicago, were awarded a \$40,000 grant in June 1999. The grant was made to conduct a study to determine the feasibility of a cooperative business incubator facility designed to spur the creation of speciality food companies, microenterprises, and small food manufacturing companies. The project will assist entrepreneurs to develop microbusinesses, which, in turn, will launch them into the larger economic mainstream.

Thirty-one EDA projects were approved in Fiscal Year 1999 in the State of Illinois with total EDA assistance of approximately \$10.4 million.

State of Indiana

An EDA Planning Grant of \$101,000 was awarded to the Indiana Economic Development Council of Indianapolis, Indiana. The grant will assist local planning committees in a minimum of three substate regions of Indiana.

The need for this planning grant was apparent when four unorganized substate areas expressed an interest in participating in the preparation of a Comprehensive Economic Development Strategy (CEDS) and the establishment of an Economic Development District (EDD), but lacked both the funding and expertise to move forward. Previously, economic development planning in these unorganized regions had been fragmented and highly localized, lacking the expertise to provide forward planning to mitigate economic downturns. As a result, many of the substate areas exhibit distressed economic conditions including low wages, plant closures, dislocated workers, and slow-growth manufacturing industries, which too often are vulnerable to foreign competition.

This EDA-funded project will provide vital information such as improved analytical and data support as well as strategies for coordinating development activities. Moreover, it will promote the development of mutual goals and objectives to guide resource allocation and service priorities. These statistics and strategies will be of great value to city and state planning organizations, service delivery entities and locally elected officers. Most importantly, the information provided will be used in the preparation of a CEDS. The CEDS will serve as the prerequisite for an EDA EDD designation, and will be the basis of EDD organization and development activities.

Twenty-one EDA projects were approved in Fiscal Year 1999 in the State of Indiana with total EDA assistance of approximately \$7 million.

State of South Carolina

The Lower Savannah Council of Governments (COG), located in Aiken, South Carolina, and serving a six-county region, was awarded an EDA grant of \$60,000 under the Economic Adjustment Program in August of 1999. The purpose of this EDA grant is to establish a regional database and Global Information System (GIS), which can be accessed off-site from each of the six counties' economic development field offices.

Thirty-one EDA projects were approved in Fiscal Year 1999 in the State of South Carolina with total EDA assistance of approximately \$24.6 million.

Prior to the implementation of this GIS regional database, access to relevant maps and data used for economic development analysis was only possible at a single facility in the region and only available via hard copy.

The Lower Savannah COG has been particularly hard hit by textile industry plant closures. Additionally, since 1992 over 11,000 jobs have been recorded as lost at the Savannah River Site, a 310 square mile Department of Energy facility. Economic distress in the area is evidenced by the 8.1 percent unemployment rate in Orangeburg County over a 24 month period ending September 1997. The per capita income of Allendale County was just over 50 percent of the national average in Fiscal Year 1997, the year of record for this grant.

The EDA award empowers this six-county area with a regional GIS data system providing more efficient access to critical data and mapping information that is an essential tool to the economic development community, regional and state governments, and all interested parties. Quite importantly, the GIS provides a quick response to potential business and industrial prospects looking to locate in the area, thus affording new and much-needed job opportunities.

**PROGRAMS
of the
ECONOMIC
DEVELOPMENT
ADMINISTRATION**

Public Works Programs

The Public Works Program of the Economic Development Administration empowers communities in economic decline to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private-sector jobs and investments.

Public Works projects, generally, are used to upgrade or expand an area's economic infrastructure to support the next generation of industry or commerce, such as telecommunications infrastructure and other sustainable development activities including eco-industrial parks. Whenever possible, this program seeks to redevelop existing facilities and industrial/commercial locations, because such projects generally promote sustainable economic development by taking advantage of readily available infrastructure and markets.

Locally initiated economic development projects that encourage long-term economic self-sufficiency and global competitiveness are supported by Public Works Program grants. Examples of previous infrastructure investments include skill-training facilities, technology infrastructure, renovation and construction of publicly owned facilities for multitenant industrial and commercial use, as well as rail spurs, industrial parks, access roads, port improvements, and water and sewer facilities. Public Works grants are awarded, most commonly, to states, cities, or other political subdivisions of a state, a consortium of political subdivisions, a special purpose unit of government, Indian tribes and consortiums of tribes, and public or private non-profit organizations working in cooperation with a local political subdivision. The investments leveraged by Public Works grants support a variety of specific economic development strategies including technology-led development, business incubators, cluster-based development, aquaculture facilities, diversification of natural resource dependent economies, distance learning facilities, export programs, commercialization and deployment of innovative technologies, redevelopment of brownfield sites, and development of eco-industrial parks.

Since 1965, EDA public works investments have created more than 1.5 million long-term living wage jobs.

Eligibility for Public Works Grants

To be eligible for consideration, a project must be located in an economically distressed area or, in the case of a project located in a nondistressed area, must provide substantial direct benefits to an economically disadvantaged area. For EDA purposes, distress is established by demonstrating one of the following criteria: high unemployment, (e.g., greater than one percent above the national average over a two-year period); low per capita income that is, for the most recent period for which data are available, 80 percent or less of the national average per capita income; and, other economic indicators defined as "special need" (e.g., out-migration, plant closings and layoffs, disasters, and natural resource depletion).

To be eligible for Public Works assistance, an area must demonstrate at least one form of economic distress such as high unemployment, low per capita income or other special need.

Additionally, to be eligible a project must also comply with all of the following: 1. be consistent with a locally developed Comprehensive Economic Development Strategy (CEDS) that has been prepared for the area in which the project will be located and which has broad community support; 2. improve opportunities for the successful establishment or expansion of industrial or commercial facilities in the area where the project will be located; 3. fulfill a

pressing need of the area and be started and completed in a timely manner; 4. not result in an increase of goods or services beyond the competitive demand for such goods or services existing or to be created in the market area; 5. have the required local matching share committed and available at the time of the project's approval; and, 6. benefit the long-term unemployed and members of low-income families who are residents of the area to be served.

Analysis of Public Works Projects

In Fiscal Year 1999, 248 Public Works project grants were approved in a total amount of \$205,747,750. The grant amounts ranged from a low of \$109,200 to a high of \$2.35 million. The average grant amount was \$829,628 and the median grant amount was \$800,000. Public Works grant recipients provided \$169,532,024 in non-Federal, local matching funds (an average of \$683,597 per project) and other sources supplied \$92,256,274 (an average of \$372,001) to assist with project financing. The grant recipients estimated that private investments on these projects will amount to approximately \$3.9 billion and that over 51,900 permanent jobs will be created and/or saved in distressed areas as a result of EDA public works investments. On average, this results in over \$15.9 million in private investment and 209 permanent jobs per project.

The majority of the funds (72.1 percent) was invested in industrial development projects and the balance was invested in commercial development projects (20.9 percent), human resources development (6.8 percent), and tourism development (0.2 percent). The 248 projects focused on such initiatives as entrepreneurial development (14.7 percent), technological innovation (3.8 percent), export development (5.3 percent), brownfields redevelopment (7.9 percent), various types of sustainable development (7.2 percent), Empowerment Zone/Enterprise Community development (4.1 percent), and the development of Southwest Border communities (2.5 percent). The obligated funds had a rural to urban distribution of approximately 76 percent to 24 percent, respectively, and included 1.7 percent that was invested in Native American economic development programs.

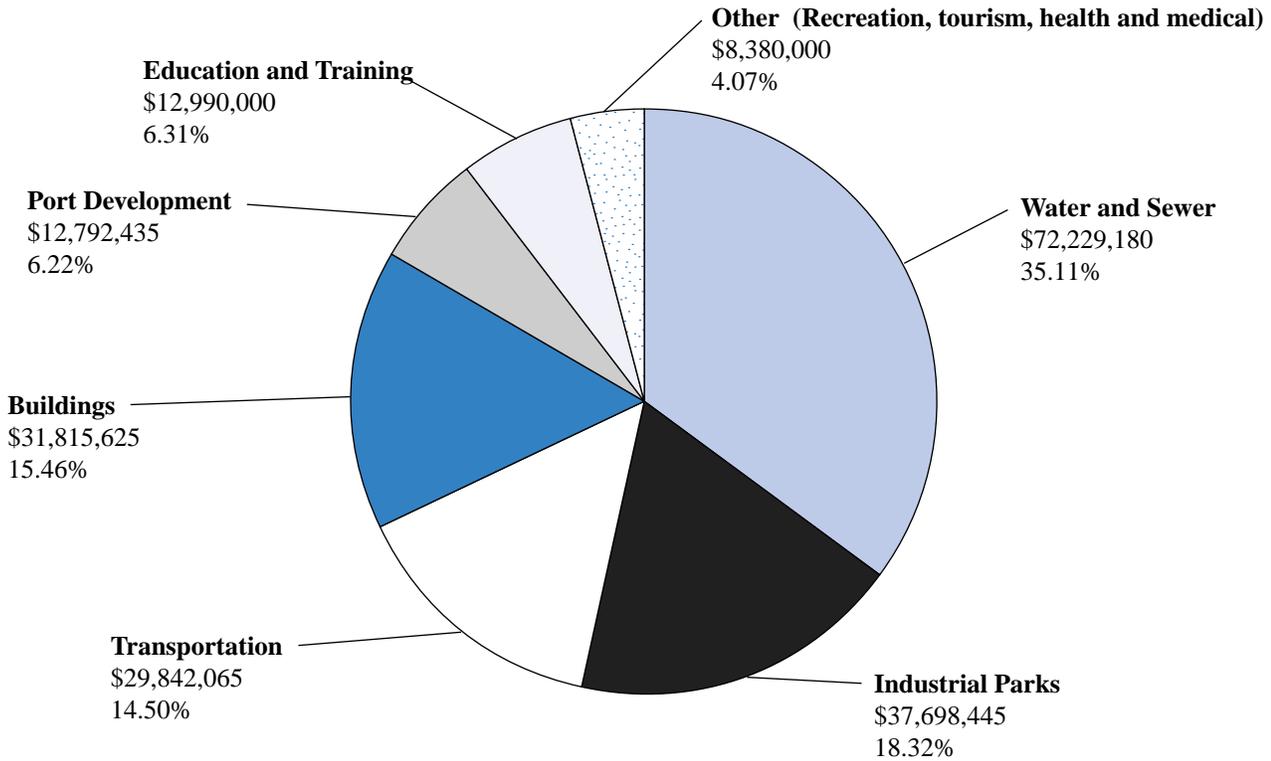
Fiscal Year 1999 public works grant recipients estimated that EDA assistance will leverage over \$3.9 billion in private investment and create or retain 51,900 permanent jobs. On average this amounts to nearly \$16 million in private investment and over 200 jobs per public works project.

Fiscal Year 1999 Obligated Public Works Grants by Type

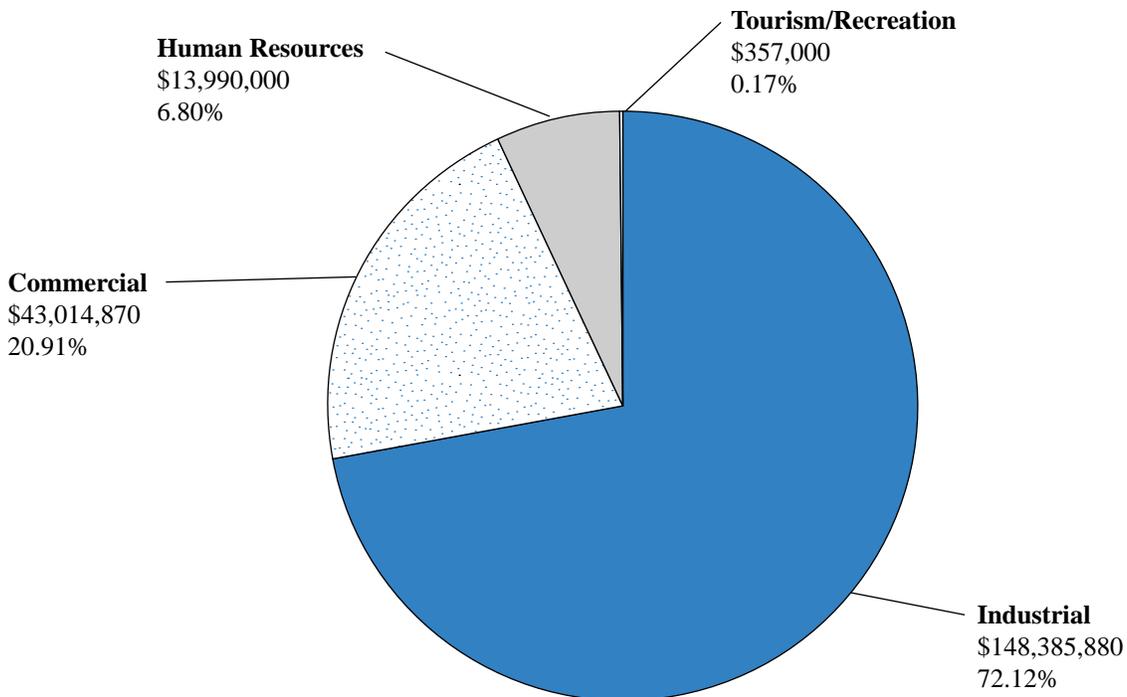
Type of Grant	No. of Grants	EDA Investment \$(000)
Industrial/Commercial Buildings	49	37,749
Other Public Facilities	9	5,391
Port/Harbor/Airport Facilities	12	13,572
Sewer System Improvements	32	27,266
Transportation Facilities	39	31,763
Vocational Skill Training/Incubator Facilities	37	32,123
Water System Improvements	70	57,883
Total	248	\$205,747

* Dollars may not add up due to rounding.

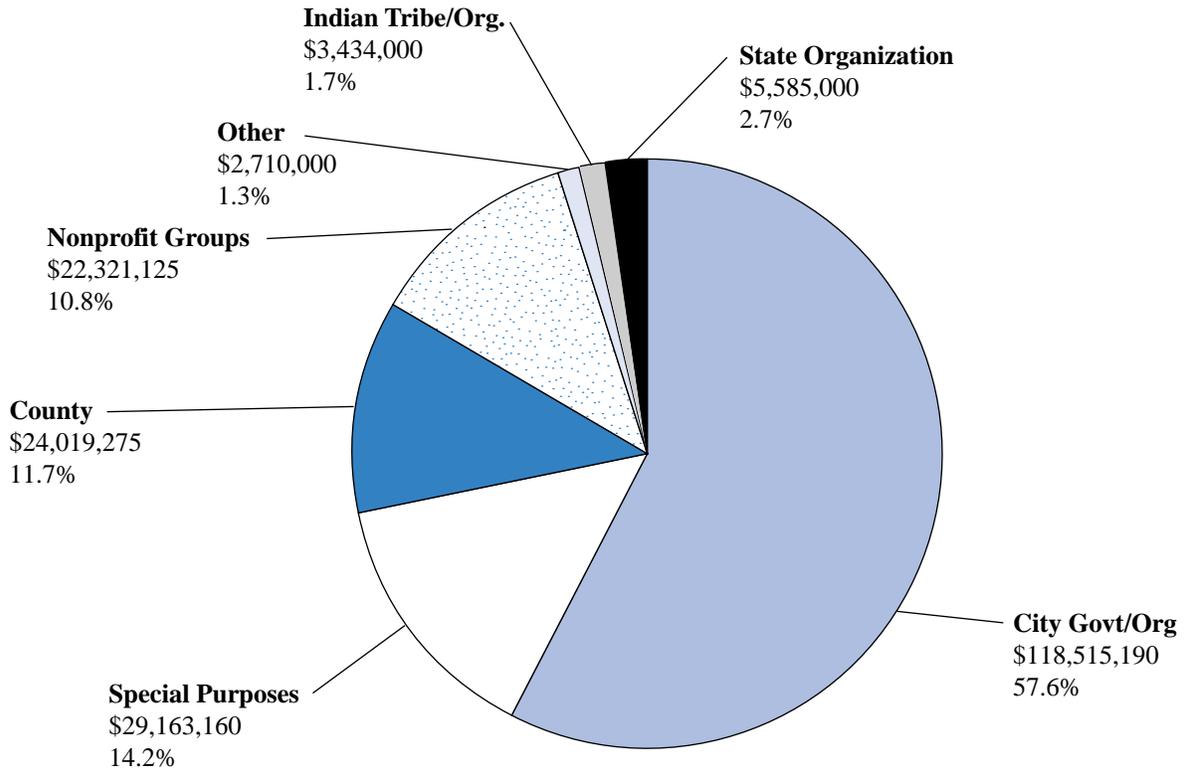
Fiscal Year 1999 Public Works Grants by Type



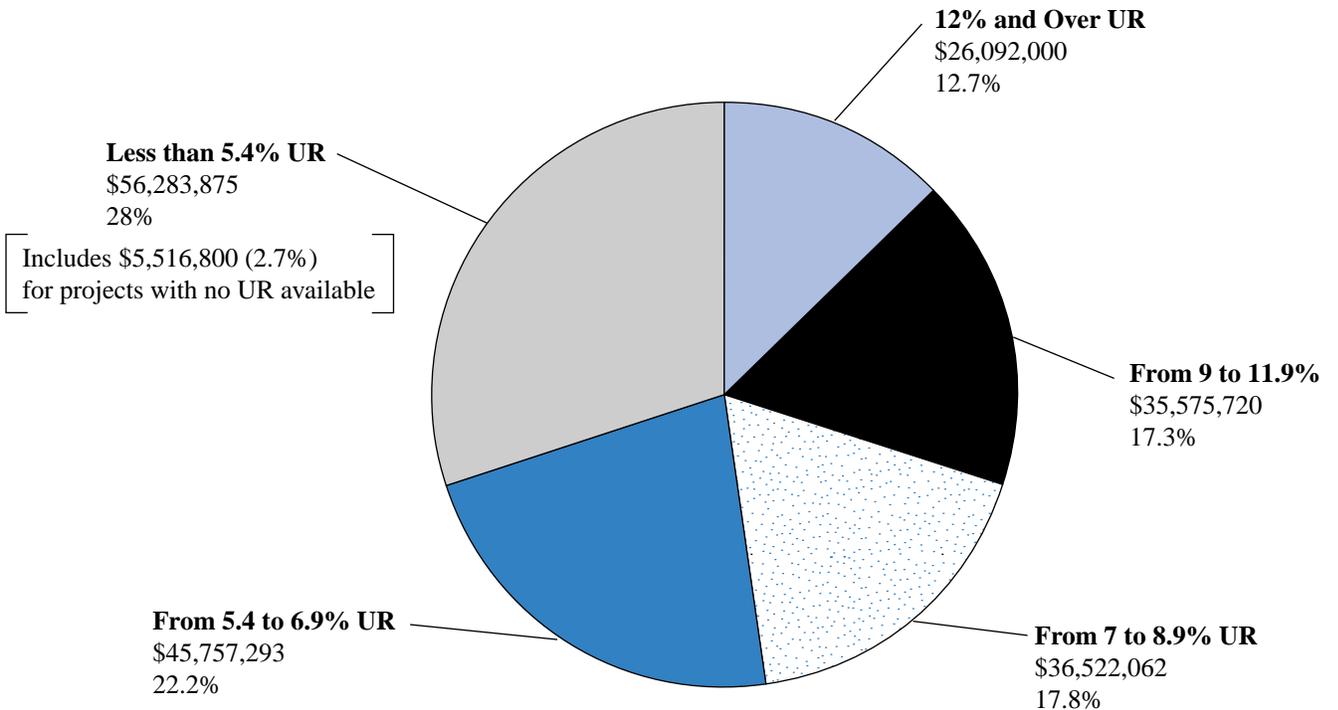
Fiscal Year 1999 Public Works Grants by Development Objective



Fiscal Year 1999 Public Works Grants by Grantee Type



Fiscal Year 1999 Public Works Grants by Unemployment Rate (UR)



Public Works Projects and Brownfields Redevelopment

EDA supports the revitalization and reuse of idle and abandoned industrial land and facilities, known as Brownfields, and has done so for the past 34 years as a core component of its mission to aid the Nation's most economically distressed communities.

Brownfields redevelopment refers to the reuse of abandoned, idled, or underused industrial and commercial sites where expansion or redevelopment is complicated by real or perceived environmental contamination. Brownfields may be more expensive to develop than "greenfields" (i.e., previously underdeveloped land) because of the need to assess the conditions of the site and sometimes reclaim the land.

Benefits of Brownfields Redevelopment

Brownfields sites, however, remain attractive to companies due to their proximity to transportation systems such as highways, rail lines, and rivers; markets including both suppliers and customers; and labor pools. Other private-sector brownfields redevelopment benefits include access to land with existing capital assets (e.g., buildings, power and telecommunications infrastructure, water, sewer, roads, rail spurs, etc.), the availability of economic (e.g., tax) incentives, and unique redevelopment opportunities such as historic sites. Public-sector benefits include job creation, increased tax revenues, reduced urban sprawl, mitigation of health hazards, community and environmental stewardship, crime reduction, and prevention and elimination of blight.

EDA's Public Works program provides funding to revitalize, upgrade, and expand physical infrastructure and is commonly utilized in Brownfields redevelopment. These projects include the rehabilitation and reuse of older publicly owned buildings, as well as the construction of new facilities on reclaimed sites.

By providing grants to help redevelop brownfields and other infill locations, EDA assistance helps to encourage smart growth by preserving farmland, parks and other community space that is vulnerable to development pressures.

Analysis of Brownfields Redevelopment Projects

Sixty-two brownfields projects with total funding of \$63,154,038 were awarded by EDA in Fiscal Year 1999. Twenty-four of these projects with total funding of \$23,258,710 were Public Works grant awards.

American Indian and Alaska Native Economic Development

In 1997, one-third of the Nation's indigenous peoples' households had incomes that placed them below the poverty line.

EDA has a long history of support for the economic development of American Indian Tribes and Alaska Natives (Native Communities). EDA, through its base programs, has provided over three-quarters of a billion dollars in assistance to Native Communities to promote and support their sustainable development from 1965 through 1999.

Analysis of EDA Grants to Native Communities

In Fiscal Year 1999, six projects, amounting to 1.7 percent of EDA's \$205.7 million appropriation to Public Works, supported construction of new or replacement infrastructure on Indian reservations and in Alaskan Native Villages.

Among the projects EDA funded in Native Communities during Fiscal Year 1999 are the following: construction of buildings to house Indian-owned manufacturing companies and commercial businesses; construction or improvement of Indian-owned tourism facilities; construction and equipping of workforce skill-training facilities; construction and equipping of distance learning facilities; water and sewer systems to support industrial and commercial developments on Indian reservations and Indian-owned lands; and, such facilities as cargo docks and cold storage facilities needed to support Indian tribes and Alaskan Native villages to capitalize on the local availability of renewable natural resources.

Although replacement and development of new infrastructure on Indian reservations and in Alaskan Native villages may take years to complete, EDA grants play a critical role by initiating these investments.

Economic Distress in Indian Country

Although the country continues one of its longest and strongest economic expansions in its history, one segment of the Nation's population – the American Indians and Alaska Natives – has been left far behind the current economic boom and all those that came before. Among the highest in distress in the country, Native Communities continue to suffer from long-term economic deterioration and substantial poverty. The poverty rate in Native Communities is two-and-a-half times the national average, unemployment is over eight times higher than the national average and the median family income is less than two-thirds the national average, and less than half of Indian homes have telephones.

Assessment of Technology Infrastructure in Native Communities

The EDA funded study, *Assessment of Technology Infrastructure in Native Communities* (June 1999), revealed that the most pressing economic development requirements are for physical infrastructure, planning assistance, and workforce development. The study concluded that technology infrastructure alone cannot improve the economic conditions in Native Communities. For technology-led development to proceed, the study indicated, Native Communities must first invest in basic infrastructure (e.g., roads and utilities) and worker training, and identify resources to finance technology investment.

Economic Adjustment Assistance Program

The Economic Adjustment Assistance Program responds to economic changes that occur suddenly or over time. These changes often result from industrial and corporate restructuring, natural disaster, reduction in defense expenditures, depletion of natural resources, or new Federal laws or requirements. The Economic Adjustment Assistance Program assists state and local interests in the design and implementation of strategies to help correct a declining economy. The program focuses on areas that have experienced or are under threat of serious structural damage to the underlying economic base.

Economic Adjustment Assistance Program Grants

Economic Adjustment Assistance Program Grants predominately support the three following types of project activities:

- Strategy, or capacity-building, grants that help communities organize and carry out a planning process resulting in a Comprehensive Economic Development Strategy (CEDS);
- Implementation, or construction, grants that support one or more activities identified in an EDA-approved CEDS; and,
- Revolving Loan Fund (RLF) grants that capitalize an intermediary to make loans to local businesses that otherwise could not access commercial credit.

Eligibility Criteria for Economic Adjustment Assistance Program Grants

Under area eligibility regulations, EDA economic adjustment assistance may be awarded if an area meets any one of the following criteria demonstrating economic distress: high unemployment; low per capita income; disaster declaration; plant closures and layoffs; outmigration, underemployment, military base closure or defense contracting cuts; extraordinary depletion of natural resources; negative impacts of foreign trade; or other special need.

New area eligibility regulations for Economic Adjustment Assistance Program grants.

Analysis of Economic Adjustment Assistance Program Grants

The Economic Adjustment Assistance Program received an appropriation of \$34,629,000 in Fiscal Year 1999. Strategy or capacity-building grants accounted for 29 percent of the Economic Adjustment Assistance Program budget with grants awarded to 142 capacity building projects. Implementation, or construction, grants accounted for 53 percent of the Program budget with grants awarded to 37 projects. Seventeen Revolving Loan Funds received 18 percent of Program allocations.

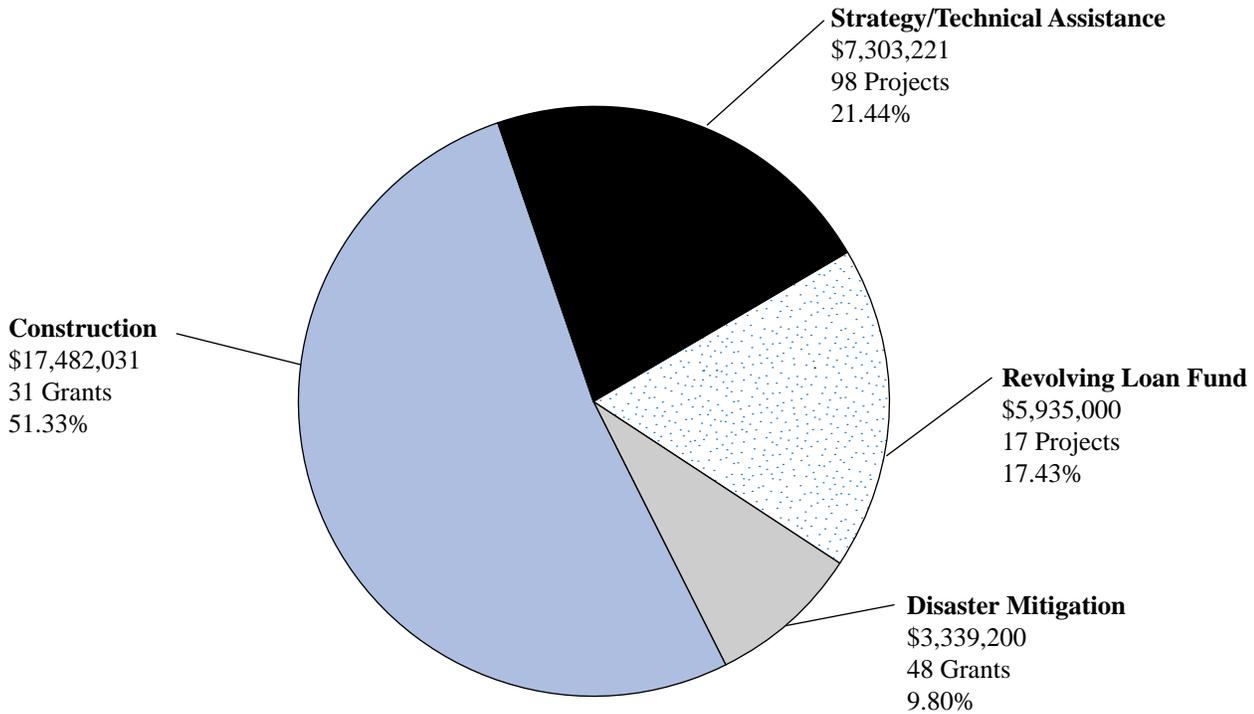
The Fiscal Year 1999 appropriation to the Economic Adjustment Assistance Program was \$34,629,000.

Fiscal Year 1999 Obligated Economic Adjustment Grants by Type

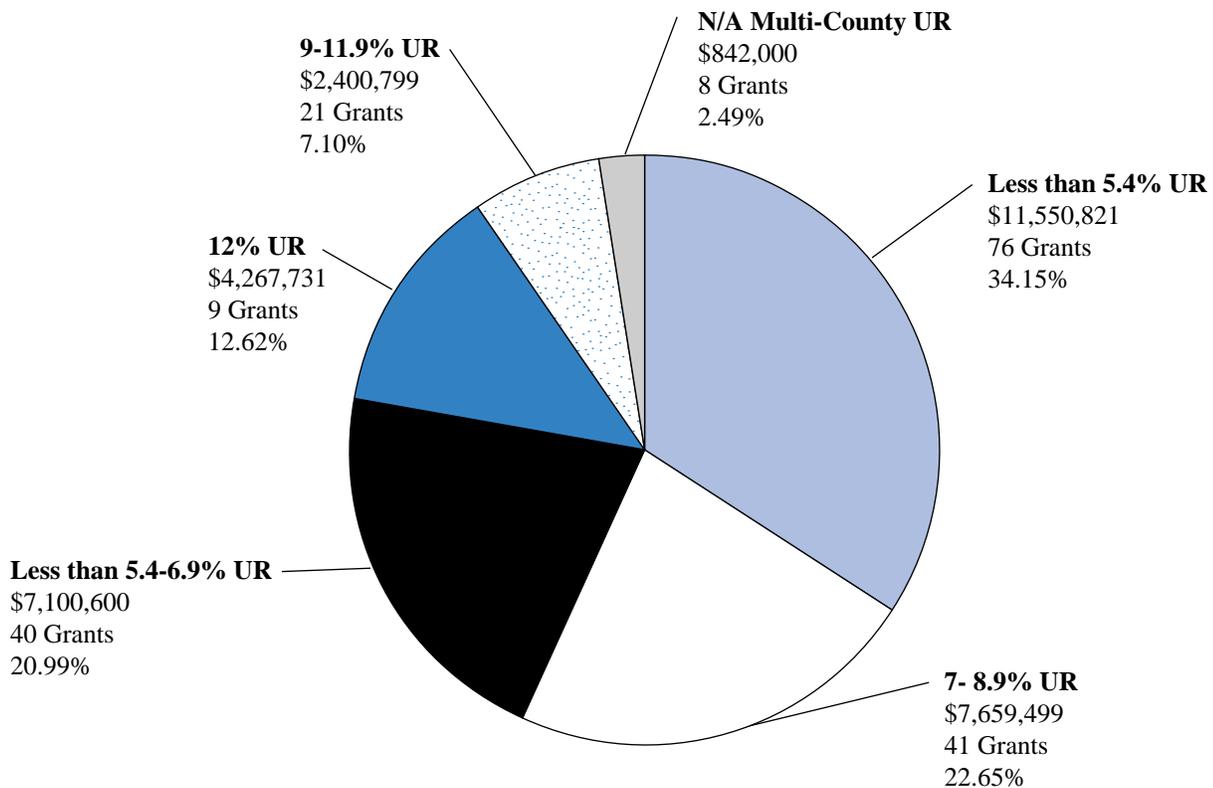
Type of Grant	Number of Grants	EDA Investment \$(000)
Education/Training	5	1,129
Industrial Parks/Sites/Ports/Airports	8	4,624
Industrial and Commerical Buildings	7	4,132
Other	11	2,892
Planning and Capacity Building	139	9,764
Revolving Loan Funds	18	5,945
Road/Highways/Railroad	2	666
Water/Sewer Treatment	7	5,221
Total	197	\$34,372

- * Dollars may not add up due to rounding.
- * Count includes split funding.

Fiscal Year 1999 Economic Adjustment Assistance Grants by Type



Fiscal Year 1999 Economic Adjustment Assistance Grants by Unemployment Rate (UR)



Post Disaster Economic Recovery

Specialized Assistance

For the sixth consecutive year, EDA assisted states affected by declines in Appalachian coal and southeastern timber, and supported the President's Pacific Northwest Timber Initiative.

Under the Economic Adjustment Assistance Program, EDA supported the President's Pacific Northwest Timber Initiative with a \$2 million grant in Fiscal Year 1999. The EDA role in this multi-agency initiative filled a critical gap by funding local capacity-building activities, such as economic adjustment strategies and technical assistance projects.

Additionally, EDA awarded \$2.2 million in grants for a new Alaskan Timber Initiative. Also, \$2 million in grants was made available to assist areas affected by declines in Appalachian coal and Southeast timber.

Disaster Emergency Supplemental Appropriation for Alaskan Fisheries

EDA expects to award the balance of approximately \$10.8 million of emergency supplemental funding during Fiscal Year 2000 to assist the Alaskan salmon fisheries industry.

On September 10, 1998, the Secretary of Commerce issued a Disaster Declaration under the Magnuson-Stevens Fishery Conservation and Management Act in response to the commercial failure of the Alaskan salmon fisheries in Bristol Bay and the Yukon and Kuskokwim River tributaries.

Under the Omnibus Appropriations Act of 1998, passed in September 1998, \$20 million in emergency supplemental disaster funding (no-year funds) was appropriated to respond to the fisheries disaster. Of this amount, \$14.1 million was designated to be used for grant activities under EDA's Economic Adjustment Program and \$5.0 million under EDA's Trade Adjustment Assistance Program.

Accordingly, by the conclusion of Fiscal Year 1999, EDA had implemented the following:

- established and staffed the EDA disaster field office, co-located with EDA's Economic Development Representative in Anchorage;
- organized a series of public meetings of affected communities, villages, and native Alaskan organizations, as well as State and Federal agencies;
- began identifying specific projects to respond to the disaster;
- awarded six local planning grants;
- awarded a State-administered revolving loan fund in the amount of \$3.3 million; and,
- awarded a \$200,000 grant to the Alaska Seafood Marketing Institute in Juneau, Alaska, to prepare a strategic marketing plan for the Alaskan salmon fishery industry; the balance of the funding will be awarded in Fiscal Year 2000 to implement the technical assistance tasks identified in the strategic marketing plan.

Fiscal Year 1999

Alaska Salmon Disaster Assistance

State	Number of Grants	EDA Investment \$(000)
Alaska	8	3,473
Total	8	\$3,473

Disaster Resistant Jobs

In Fiscal Year 1999, EDA began awarding disaster mitigation grants from the Economic Adjustment Assistance appropriation. A total of 48 relatively small projects were funded for a total amount of \$3.34 million to provide a funding means for states and communities to begin incorporating natural disaster preparedness into everyday economic development planning.

EDA, working in close coordination with the Federal Emergency Management Agency (FEMA) to address critical business and economic aspects of pre-disaster economic preparedness, developed the program called Disaster Resistant Jobs. The goal of both FEMA and EDA is to reduce disaster costs and losses, including Federal expenditures for disaster response and recovery, by integrating disaster mitigation concepts into the everyday community and business decision-making processes.

Strategic economic recovery planning and/or technical assistance grants focusing on disaster mitigation help communities protect jobs and reduce economic consequences of future natural disasters.

New Tools Providing Project Support

Traditionally, the Economic Adjustment Assistance Program has been responsive to the needs of an evolving economic development community. EDA launched its Revolving Loan Fund Securitization Demonstration in Fiscal Year 1999. Four grants were awarded for a total amount of \$925,981 under EDA's National Technical Assistance and Research Program for a demonstration using \$308,000 in Economic Adjustment Assistance funds, \$301,000 in Defense Adjustment Program funds, and \$316,981 in National Technical Assistance funds.

Innovation, Secondary Markets, and RLFs

On May 4, 1999, EDA published a Request for Proposals (RFP) under its National Technical Assistance Program in the *Federal Register* to undertake a securitization of loans from economic development revolving loan funds.

EDA's securitization projects will demonstrate four different ways to pool RLF loans and sell them to the secondary markets. Loans will be assembled during Fiscal Year 2000 and the subsequent secondary market transactions are expected to occur before September 2000. All four EDA grants require submission of detailed transactions descriptions, processes used, and document standards and forms developed as the project progresses.

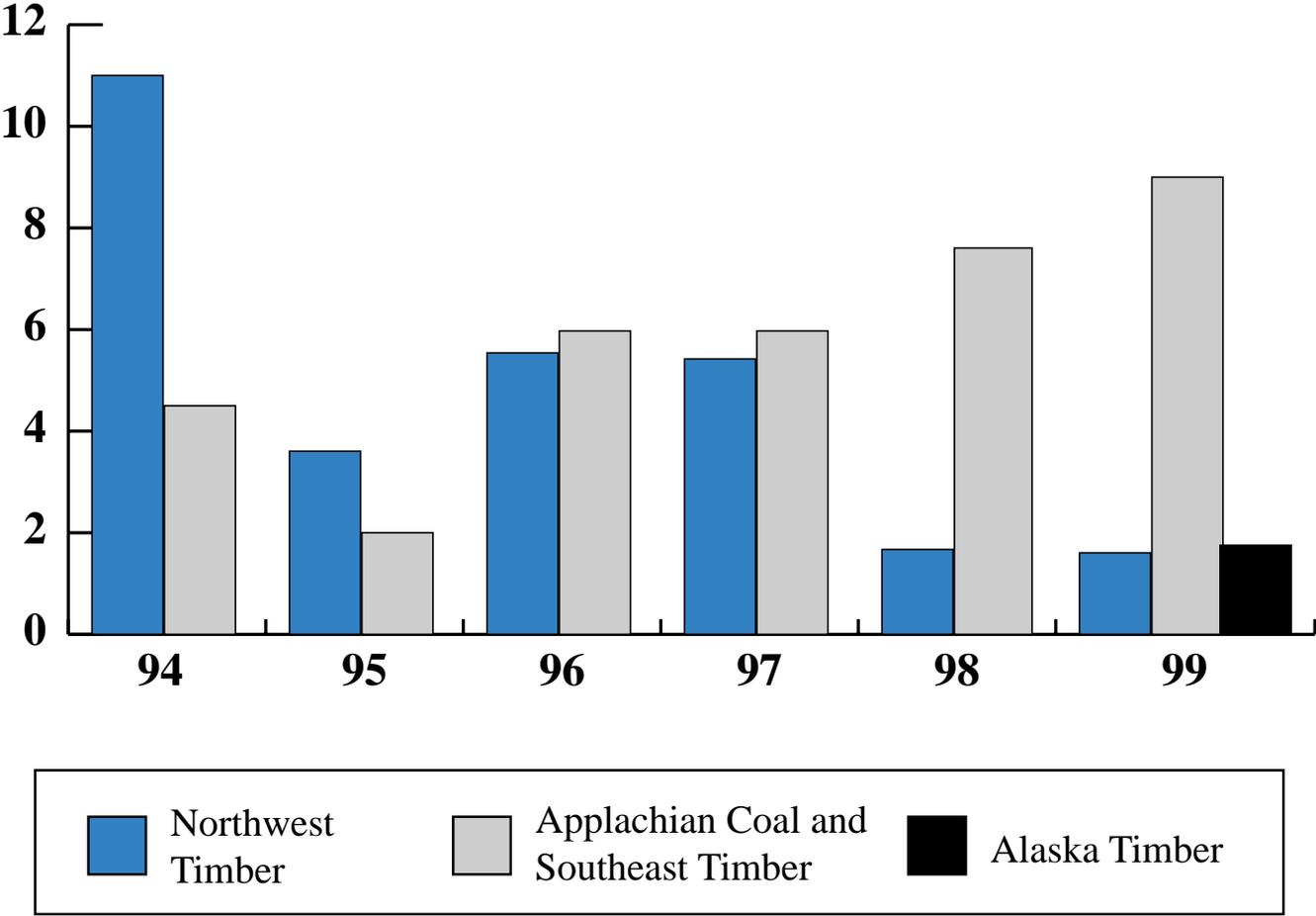
Since 1976, EDA has provided initial capital for over 580 RLFs, generating more than 7,200 loans and leveraging more than \$1.9 billion in private capital.

Heightened interest in secondary markets for the resale of economic development loans is gaining momentum in the economic development community.

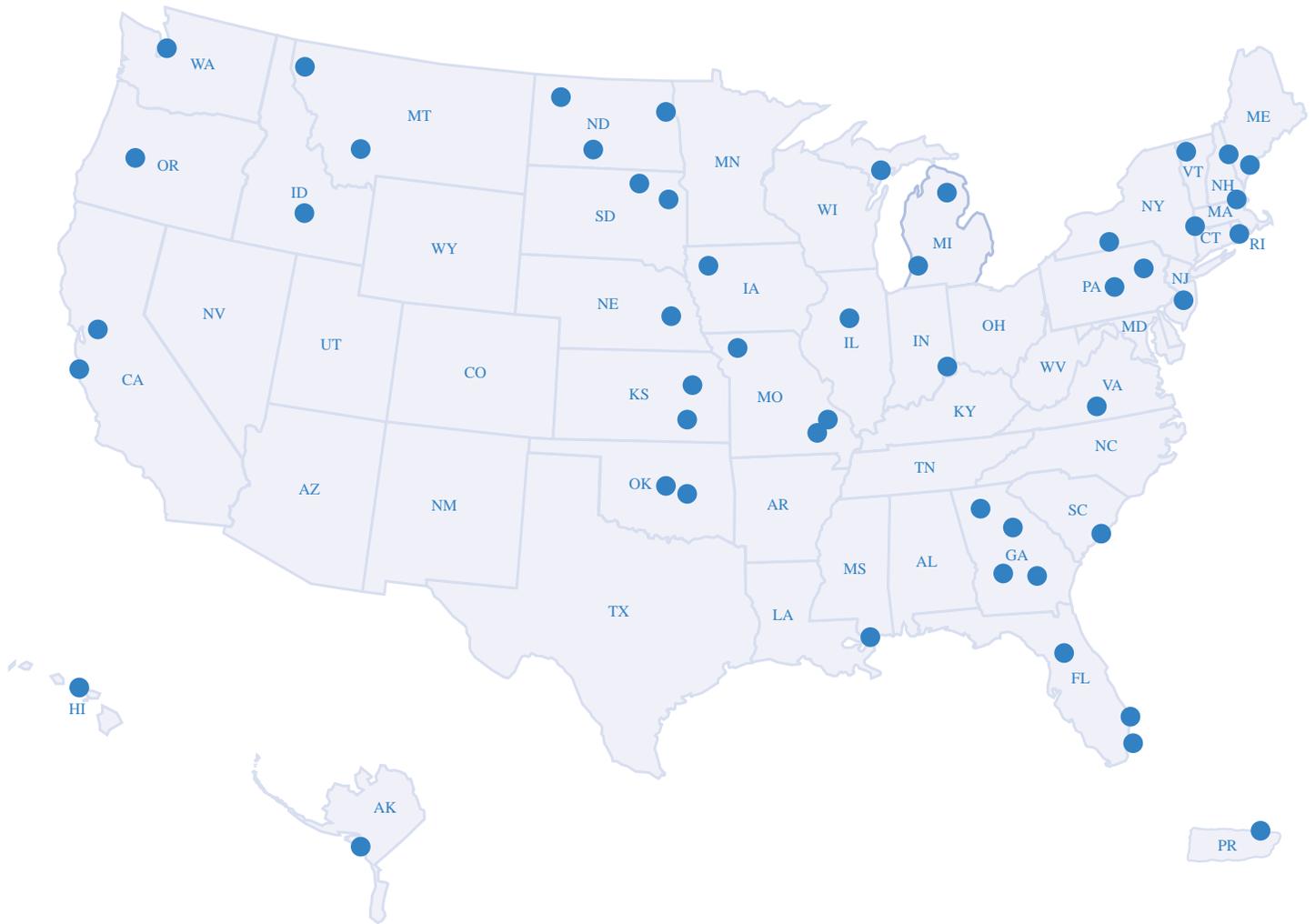
Fiscal Year 1999

Alaska Timber, Northwest Timber, Appalachian Coal and Southeast Timber Assistance

EDA Grant Assistance (millions of \$)



Fiscal Year 1999 EDA Disaster Mitigation Grants



49 EDA Disaster Mitigation Grants Totaling \$3,339,200

State	No. Of Projects	State	No. Of Projects
AK	1	NE	1
CA	2	ND	3
FL	3	NH	1
GA	4	NJ	1
HI	1	NY	1
IA	1	OK	2
ID	1	OR	1
IL	1	PA	2
IN	1	PR	1
KS	2	RI	1
MA	2	SC	1
ME	1	SD	2
MI	3	VA	1
MO	3	VT	1
MS	1	WA	1
MT	2		

Fiscal Year 1999 Upper Midwest Flood Assistance by State

State	Number of Grants	EDA Investment \$(000)
Illinois	3	539
Indiana	2	1,000
Kentucky	3	1,811
Minnesota	5	3,875
North Carolina	1	1,000
Ohio	3	784
Puerto Rico	1	2,000
South Dakota	1	8
West Virginia	1	1,000
Total	20	\$12,017

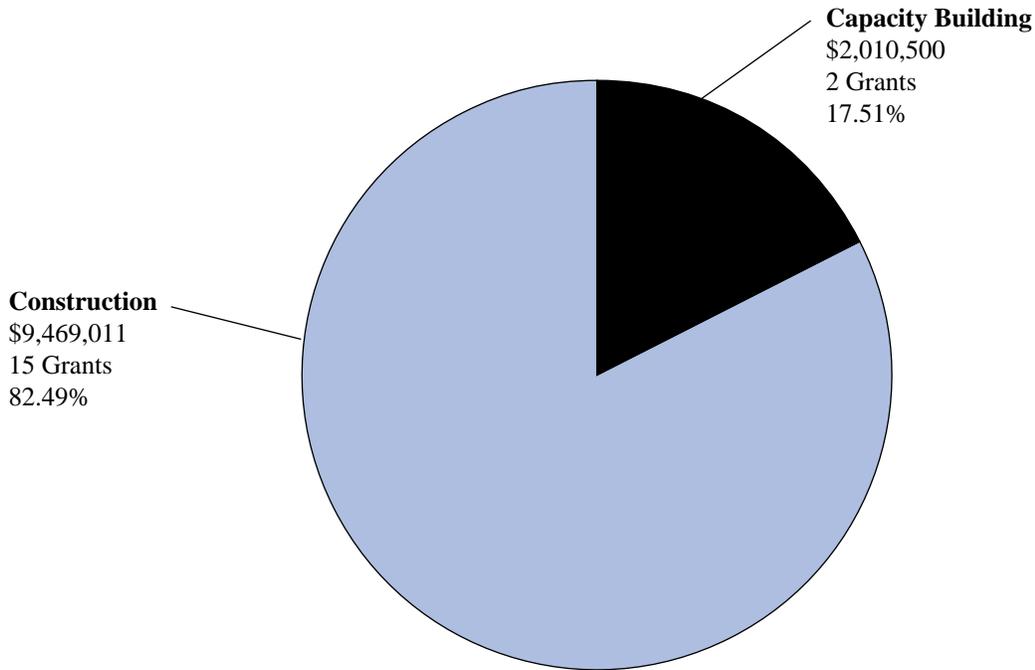
* Dollars may not add up due to rounding.

Fiscal Year 1999 Hurricane Disaster Assistance by State

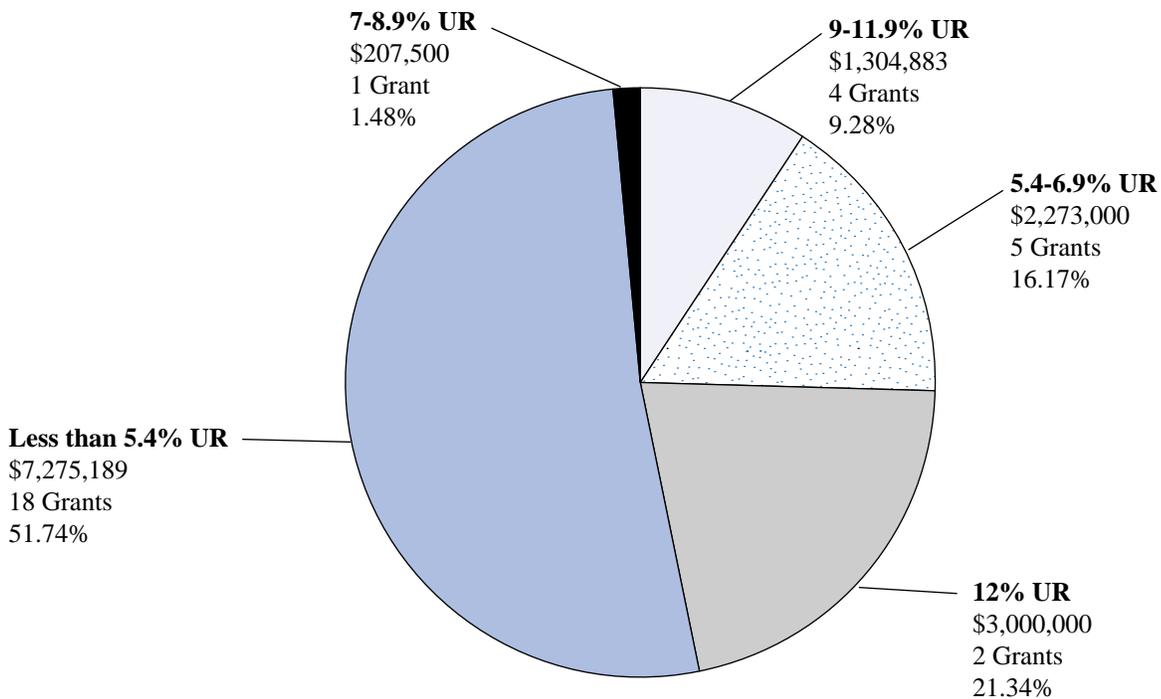
State	Number of Grants	EDA Investment \$(000)
Alabama	6	1,717
Florida	3	72
Mississippi	2	536
North Carolina	1	182
Total	12	\$2,507

* Dollars may not add up due to rounding.

Fiscal Year 1999 Disaster Assistance Grants by Type



Fiscal Year 1999 Disaster Assistance Grants by Unemployment Rate (UR)



Defense Adjustment Assistance Program

Since 1992, the Defense Adjustment Assistance Program has awarded over \$500 million in grants to communities affected by major downsizing or closures at 105 military bases.

Analysis of Defense Adjustment Assistance Program Grants

EDA Defense Adjustment Assistance Grants fill a critical role in initiating economic development for communities implementing base reuse plans.

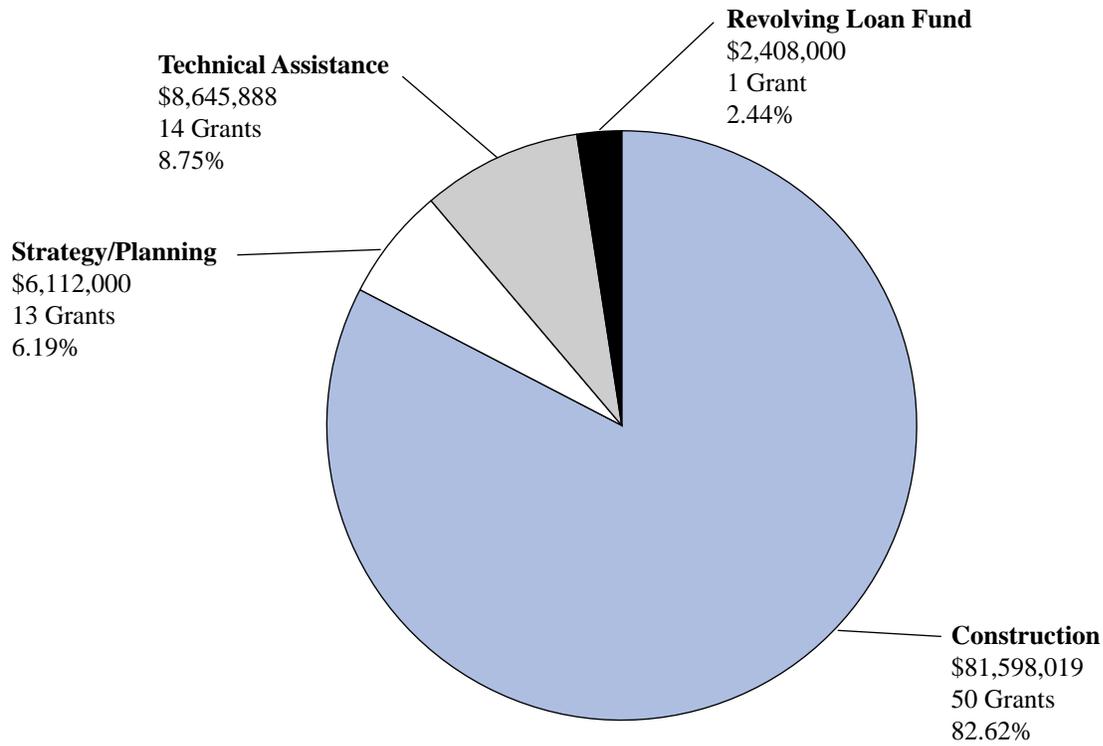
In Fiscal Year 1999, the Defense Adjustment Assistance Program received an appropriation of \$84,800,000. Eighty-two percent of the appropriation funded 50 projects for the purpose of constructing new or replacing infrastructure on closing military installations and Department of Energy sites. Nine percent of the Program funds were awarded to 14 projects to provide technical assistance. Six percent of the Program funds were awarded to 13 projects to provide strategy and planning grants. Two percent of the Program allocations were awarded to fund one Revolving Loan Fund grant.

Finalizing BRAC 1995

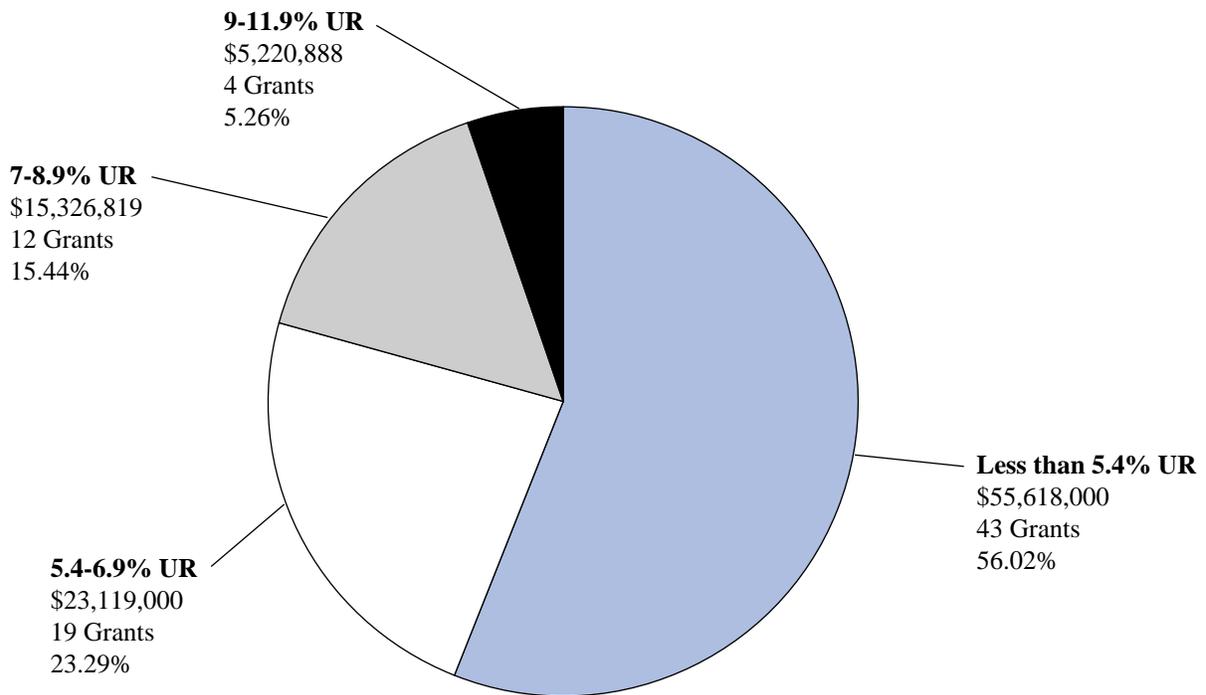
With the last Base Realignment and Closure (BRAC) occurring in 1995, most installations have already closed or will be closing by 2001. Final transfer of property is generally dependent on environmental cleanup, which remains a Department of Defense responsibility.

Under EDA's regulations, communities affected by a base closure remain eligible for EDA assistance for five years after the actual date of closure, which may be up to six years after the BRAC decision. After such time, communities may continue to qualify for Defense Adjustment Assistance grants based on economic distress levels or other eligibility criteria.

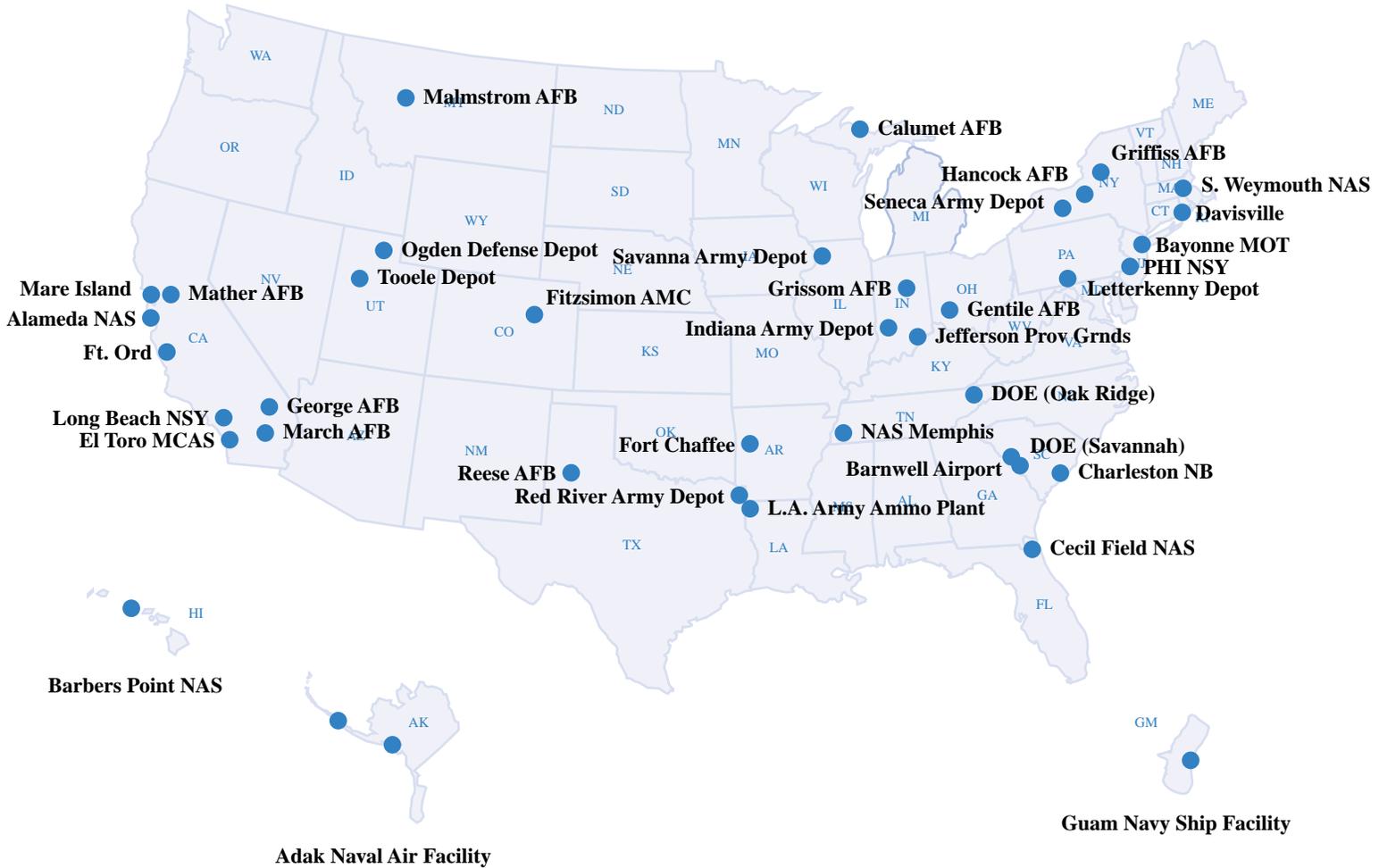
Fiscal Year 1999 Defense Adjustment Assistance Grants by Type



Fiscal Year 1999 Defense Adjustment Assistance Grants by Unemployment Rate (UR)



Fiscal Year 1999 EDA Defense Adjustment Assistance Grants



78 Grants Awarded Totaling \$98,763,907

Research and National Technical Assistance Program

The Research and National Technical Assistance Program develops a comprehensive base of information about economic development issues, disseminates information to local, state, and national economic development practitioners; and measures the performance of economic programs. Information dissemination grants make critical information about economic development programs, projects and emerging issues available to practitioners through targeted newsletters, web sites, and conferences. Research grants examine existing and emerging issues in economic development, and document the results for practitioners and policy makers. Evaluation grants assess the economic impact of funding under EDA's programs to measure each program's effectiveness, and make recommendations for improving programs.

Through its Research and National Technical Assistance Program, EDA awards information dissemination grants, research grants, and evaluation grants.

Twelve EDA Research Grants totaling \$500,000 were awarded in Fiscal Year 1999. Examples of these research projects include the following:

- ★ [New Mexico State University at Las Cruces](#) was awarded \$163,919 to undertake a technology infrastructure study of American Indian and Alaska Native communities.
- ★ [Collaborative Economics of Palo Alto, California](#), received a \$91,681 grant to develop a handbook that will help economic development practitioners in undertaking strategic planning for technology-based economic development.
- ★ [University of North Carolina at Chapel Hill](#) was awarded \$120,000 to assess the technology infrastructure needs of America's distressed communities to support critical economic development activities.

Thirteen National Technical Assistance Grants totaling \$1,409,000 were awarded in Fiscal Year 1999. Examples of these funded projects include the following:

- ★ [Mt. Auburn Associates, Inc. of Somerville, Massachusetts](#), was awarded \$161,269 to evaluate the effectiveness of EDA's University Center Program.
- ★ [United States Conference of Mayors of Washington, D.C.](#), was awarded \$193,780 to conduct a National Forum on Economic Development in Albuquerque, New Mexico.

Local Technical Assistance Program

The Local Technical Assistance Program helps fill knowledge and information gaps that may prevent leaders in the public and nonprofit sectors, especially those in distressed communities, from making optimal decisions on local economic development issues.

EDA's Local Technical Assistance Program provides flexible support for a broad range of local activities.

Historically, the most common purpose of the projects funded under this program has been to analyze the feasibility of a potential economic development project, such as a business incubator or an industrial park, to help in the creation of new job opportunities in the local community. The strength of the Local Technical Assistance Program, however, lies in its flexibility to support a broad range of activities to address local economic development needs and opportunities. Grants awarded under this program help communities prepare initiatives such as downtown revitalization strategies, development of tourism marketing plans, identification of skills needed in local labor markets, and promotion of the export of local goods and services.

Analysis of Local Technical Assistance Grants

EDA awarded 61 Local Technical Assistance grants for a total amount of \$2,075,000 in Fiscal Year 1999. Nineteen grants were for the purpose of producing feasibility studies. Ten grants provided for the preparation of strategic planning. Eight grants assisted in the production of economic development conferences. NOTE: Several additional and reimbursable grants awarded by the Federal Emergency Management Agency (FEMA) to assess local economic impact of several Fiscal Year 1999 natural disasters are not reflected in the above statistics.

Local Technical Assistance Grants awarded in Fiscal Year 1999 are exemplified in the following projects:

- ★ [City of Bridgeport, New Jersey](#), was awarded \$25,000 to examine the feasibility of different sites for new industrial parks to supplement the city's existing industrial park, which was nearing capacity.
- ★ [City of Freeport, Illinois](#), received a \$15,000 grant for the purpose of developing a comprehensive telecommunications strategy to identify applicable technology solutions, discuss topology considerations, present cost models, and suggest a project plan.
- ★ [Greater Kansas City Community Foundation and Affiliated Trust, Kansas City, Missouri](#), was awarded \$20,000 to coordinate a national conference on heritage tourism development in African-American communities.

- ☆ Council for Business and Economic Opportunity, Inc, in Baltimore, Maryland, was awarded a \$15,000 grant to assist minority and other disadvantaged construction contractors in using computer software to improve the quality and accuracy of cost estimates in their bid proposals.

- ☆ City of San Juan Bautista, California, received a \$45,000 grant to assist in mapping the location and condition of its public infrastructure to more clearly identify which components must be improved in order to make economic growth possible in the community.

University Center Technical Assistance Program

Institutions of higher education house a wealth of resources, including faculty, staff, computer facilities, laboratories and libraries. The University Center Technical Assistance Program helps institutions of higher education to establish and maintain outreach programs, by using their resources to provide technical assistance to address economic development needs and opportunities in their service areas, especially in distressed communities.

EDA considers the 69 University Centers as long-term partners in economic development.

EDA works with the 69 University Centers as long-term partners in economic development. Under the University Center Technical Assistance Program, EDA awards grants to assist these Centers in the establishment and operation of programs promoting economic development. Most University Centers assist nonprofit organizations and units of local government in their analysis and implementation of economic development projects and programs. The focus of other University Centers is to provide private-sector firms with technology transfer assistance to help create or stabilize job opportunities. Of the 69 University Centers, four are sponsored by Hispanic Serving Institutions and eight are sponsored by the Historically Black Colleges and Universities.

Analysis of University Center Technical Assistance Grants

EDA renewed its financial assistance to the 69 University Centers in Fiscal Year 1999 and awarded \$6,365,000 in technical assistance funding. The following are representative grants made under the University Center Technical Assistance Program in Fiscal Year 1999:

- ★ [California State University, Chico Research Foundation](#), was awarded \$110,000 to respond to requests for customized economic data and profiles, to assist communities and regional organizations in preparing comprehensive economic development strategies, and to conduct workshops on economic development, planning, and export trade;
- ★ [University of Texas-Arlington](#), was awarded \$100,000 to assist distressed communities, especially trade-impacted communities in northeast Texas, to develop and implement strategic planning processes;
- ★ [Montana State University, Bozeman](#), received a \$100,000 grant to respond to requests from Montana manufacturing firms for technical assistance in such areas as manufacturing management analysis, product control and costing, total quality management, production process design, material and scrap control, productivity improvements, inventory analysis, and cost/benefit analysis;
- ★ [Morgan State University, Baltimore](#), received a \$99,000 grant to assist small and minority-owned manufacturing firms in the Baltimore metropolitan area with technical assistance in evaluating product concepts, improving manufacturing operations, assessing assembly processes, and reconfiguring plant layouts to improve efficiency.

Economic Development Planning Programs

The Economic Development Planning Program provides essential financial resources in the form of grants to Economic Development Districts (EDDs), Native American organizations, states, sub-state planning regions, urban counties, cities, and other eligible applicants to assist them in planning. The two categories of the Planning Program are: Partnership Planning Grants for Economic Development Districts, Indian Tribes, and other eligible areas; and, Short Term Planning Grants to States, Substate Planning Regions, and Urban Areas.

In Fiscal Year 1999, Congress appropriated \$24,000,000 to EDA for planning grants.

Partnership Planning Grants for Economic Development Districts, Indian Tribes, and Other Eligible Areas

Ongoing planning grant assistance provides support for the formulation and implementation of local economic development programs as well as strategies designed to create and retain permanent jobs and increase income for the unemployed and underemployed in areas of economic distress. Grants are intended to enhance economic development planning capability, support the formulation of development policies, and assist in building local institutional capacity.

Eligible activities under this program include the preparation and maintenance of a Comprehensive Economic Development Strategy (CEDS) process; implementation of the elements of the strategy; and the provision of planning and technical assistance services to communities and local governments within the organization's jurisdiction. Grants are normally awarded on an annual basis and priority consideration is given to currently funded grantees with satisfactory performance.

Examples of Fiscal Year 1999 EDA Partnership Planning Grants are as follows:

- ★ **Sierra Economic Development District (SEDD) in California**, was awarded a \$73,000 Continuation District Planning Grant. Originally formed in 1969 and currently comprised of the counties of El Dorado, Nevada, Placer and Sierra, SEDD has been in continuous operation for over 30 years. Under the Fiscal Year 1999 grant, using Geographical Imaging Service, SEDD will develop a regional cumulative impact analysis of the four counties' model development scenarios. In partnership with University of California, Davis, SEDD will develop an economic model of the region, and with University of California, Chico, SEDD will provide statistical and geographical information to businesses and organizations. As a result of this newly developed local capacity, SEDD additionally achieved the following:
 - received Small Business Administration MicroLoan Intermediary lender grant;
 - received a Rural Business Enterprise Grant for a Wood Utilization Loan Fund;
 - assisted Nevada County in the retention of two manufacturers;
 - received U.S. Forest Service funding for preparation of a model watershed
 - completed Recreation Master Plan for Sierra Buttes/Lake Basin area, and
 - prepared numerous applications for funding of SEDD-wide projects.

\$73,000 EDA Continuation District Planning Grant awarded to Sierra Economic Development District in California

*\$50,000 EDA
Continuation Indian
Planning Grant
awarded in Alaska.*

- ☆ **Kawerak, Inc. in Alaska** was awarded a \$50,000 Continuation Indian Planning Grant. Covering the Bering Straits and Norton Sound regions of Alaska, Kawerak, Inc., is a Native Regional non-profit corporation. Using the Fiscal Year 1999 grant, Kawerak held economic development "visioning sessions" within the Bering Straits and developed an excellent CEDS. Working with private sector, municipal and EDA representatives, Kawerak has been creative in diversifying and invigorating the economies of these very remote rural Alaskan Native villages.

- ☆ **Northern Maine Development Commission (NMDC)** was awarded a \$54,000 Continuation District Planning Grant. An EDA Economic Development District since 1975 and currently with fifty-eight member communities, NMDC exemplifies the EDA objective of assisting communities to empower themselves by developing and implementing their own economic development revitalization strategies.

Short Term Planning Grants to States, Substate Planning Regions and Urban Areas

*EDA Planning
Grants support
significant
planning activities
throughout the
country.*

Short Term Planning Grants provide support for significant new economic development planning, policymaking and implementation efforts, and to establish comprehensive economic development planning processes cooperatively with the state, the state political subdivisions, and economic development districts.

Economic development planning and implementation objectives such as economic analysis, definition of economic development goals, determination of project opportunities, and the formulation and implementation of development programs that include systematic efforts to generate employment opportunities, reduce unemployment, and increase incomes may be assisted with funding from Short Term Planning Grants.

Eligible activities include the preparation and maintenance of a continuous comprehensive economic development planning process, coordination of multi-jurisdictional planning efforts, development of institutional capacity, diversification of the local economic base and implementation of programs, projects and procedures designed to create and retain permanent jobs and increase incomes.

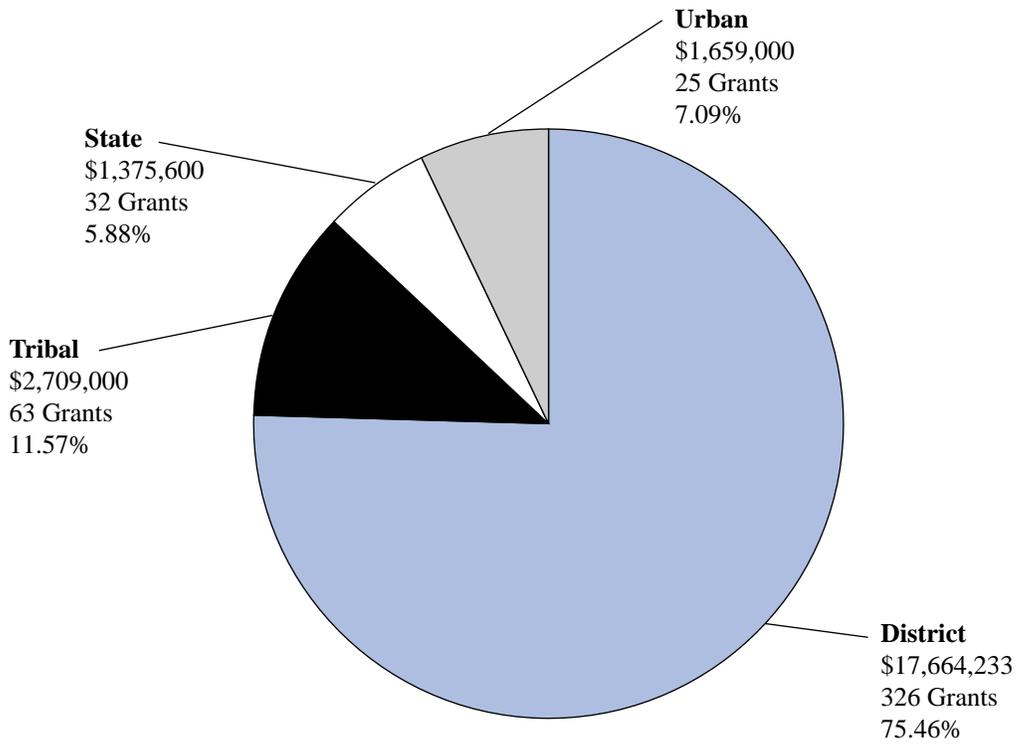
States receiving assistance are required to maintain a CEDS which has been developed in cooperation with the political subdivisions and the economic development districts of the state. EDA Short Term Planning Grant assistance is limited to 12 months and may be extended up to 36 months.

Examples of Fiscal Year 1999 EDA Short Term Planning Grants are as follows:

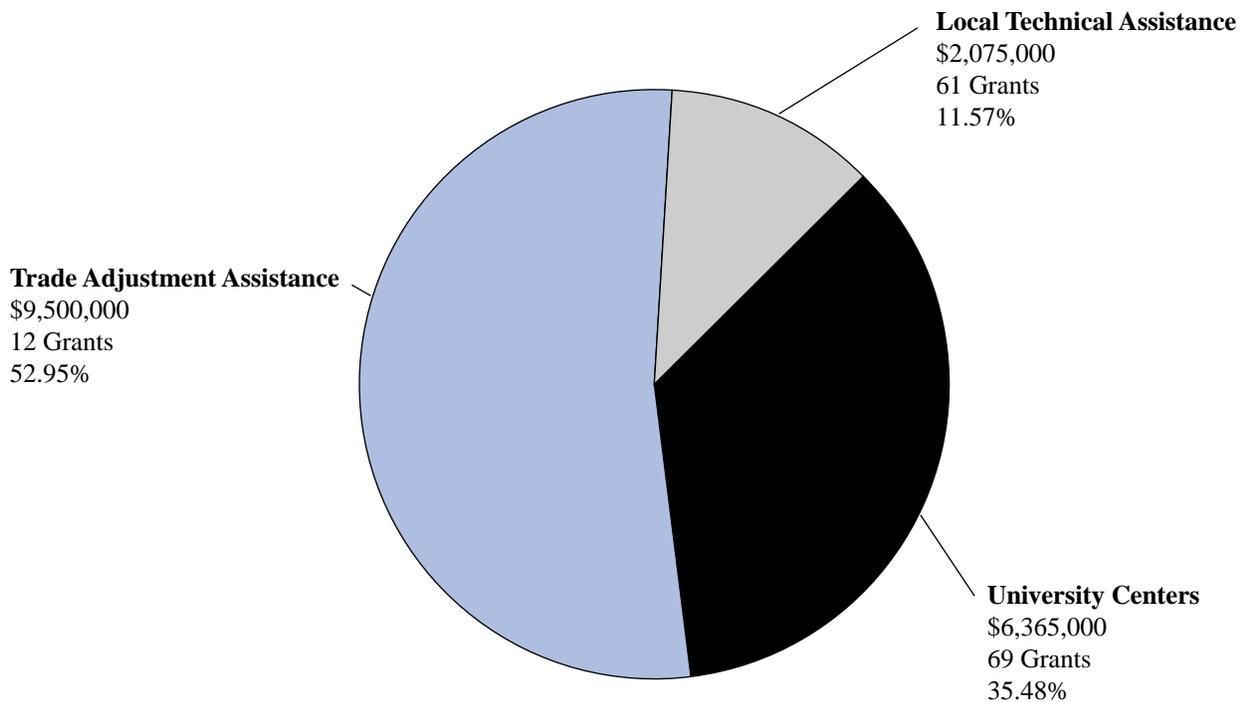
- ☆ [Alabama Department of Economic and Community Affairs and the Alabama Association of Regional Councils \(AARC\)](#) was awarded a \$100,000 planning grant for a twelve-month period. The scope of work provides for the development and support of a state-wide strategic planning process. The EDDs in AARC are working with their municipal and county governments, community groups, and the private sector to establish a grassroots collaborative and participatory planning process for preparation of a state-wide comprehensive plan. *\$100,000 EDA Short Term Planning Grant Awarded in Alabama for state-wide strategic planning.*

- ☆ [North Central Kansas Planning Commission](#) was awarded a \$90,000 planning grant to provide intensive assistance during a twelve-month period to four selected and economically distressed counties for the development of a four-county wide information technology planning and implementation system. *\$90,000 EDA Short Term Planning Grant awarded to North Central Kansas Planning Commission.*

Fiscal Year 1999 Planning Programs by Type



Fiscal Year 1999 Technical Assistance By Type



Trade Adjustment Assistance Program

EDA provides technical assistance through a national network of twelve Trade Adjustment Assistance Centers (TAACs)

Trade opening agreements, such as General Agreement on Tarriffs and Trade and World Trade Organization, have benefitted many United States firms by making it easier for them to sell their products in the international marketplace. Some American firms, however, have found that these same agreements have eroded their domestic markets as customers have switched their purchases to lower-priced foreign goods.

The Trade Act of 1974, as amended, authorizes EDA to provide technical assistance to firms and industries which have lost sales or production and employment to increased imports of similar or competitive goods. Accordingly, the EDA Trade Adjustment Assistance Program provides technical assistance to firms, which have been injured by increased imports, to assess their opportunities to develop adjustment plans for their recovery and to implement these plans. Such technical assistance is provided through a national network of twelve Trade Adjustment Assistance Centers (TAACs), authorized under Chapter 3 of Title II of the aforementioned Act, and funded by EDA.

Eligibility Criteria for Trade Adjustment Assistance Grants

The TAAC network assists firms in preparing documentation to support their eligibility for assistance under the program, in preparing an adjustment plan which serves as an economic recovery guide for a firm, and in implementing the technical assistance tasks outlined in the adjustment proposal. There is no cost to a firm for the assistance it receives from the TAAC in preparing the eligibility petition. However, a firm, typically, must pay at least 25 percent of the cost of preparing the adjustment proposal and 50 percent of the technical assistance implementation costs. The remaining costs of these activities are paid for by EDA through grants to the TAACs. EDA, generally, limits its share of technical assistance implementation to a firm to \$75,000.

Analysis of TAAC Program Activities

In Fiscal Year 1999, EDA awarded \$9,500,000 in funding to the national TAAC network and an additional \$1,500,000 of defense funds to TAACs located in communities experiencing defense downsizing. EDA certified 173 firms as eligible to apply for assistance under the Trade Adjustment Assistance program and approved adjustment proposals from 149 firms during Fiscal Year 1999. These 149 firms had an average of 78 employees and \$9,900,000 in sales. EDA and the firm's combined shares of the technical assistance implementation averaged \$106,000.

Technical assistance tasks are outlined in the following adjustment proposals, which EDA approved in Fiscal Year 1999:

- ★ \$150,000 for the design and installation of computer-aided design software to assist the engineering department of **a corrugated board and box manufacturer** to increase its production capacity;
- ★ \$130,000 for the design and installation of a glass blank panel cutting workstation to assist **a manufacturer of glass tabletops**, in the furniture industry, to improve material handling and to reduce product delivery times;
- ★ \$12,000 for the development of an e-commerce marketing and sales program and a website upgrade to facilitate Internet sales for **a manufacturer of above ground residential heating oil storage tanks**;
- ★ \$52,000 for the development of a marketing communications program to improve sales for **a manufacturer of pressure-sensitive labeling machinery**; and,
- ★ \$52,000 for a customized upgrade of management information systems software to ensure Y2K compliance for **a manufacturer of decorative metal and cardboard protective boxes for jewelry and giftware**.

Economic Development Administration Offices

Headquarters Office

Arthur C. Campbell, Assistant Secretary

U.S. Department of Commerce, 14th Street & Constitution Avenue, Northwest

Room 7804 Washington, D.C. 20230

Telephone: (202)482-5081 Fax: (202) 273-4781 Internet: ACampbell@doc.gov

Regional Offices

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14th Street & Constitution Avenue, N.W.
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